

109TH CONGRESS  
1ST SESSION

# H. R. 2187

To amend title 5, United States Code, to provide for a corporate responsibility investment option under the Thrift Savings Plan.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 5, 2005

Mr. LANGEVIN (for himself, Mr. SHAYS, and Mr. VAN HOLLEN) introduced the following bill; which was referred to the Committee on Government Reform

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## A BILL

To amend title 5, United States Code, to provide for a corporate responsibility investment option under the Thrift Savings Plan.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Federal Employees Re-  
5       sponsible Investment Act”.

6       **SEC. 2. FINDINGS.**

7       Congress finds the following:

8               (1) The Department of Labor has asserted that  
9       socially responsible investments meet the fiduciary

1 standards set in the Employee Retirement Income  
2 Security Act.

3 (2) 84 percent of mutual fund investors would  
4 be more likely to invest in a fund if one of its prin-  
5 ciples was to invest in companies that engage in eth-  
6 ical business practices in terms of operations and re-  
7 porting.

8 (3) 71 percent of investors agree that compa-  
9 nies that operate with higher levels of integrity carry  
10 less investment risk, and 67 percent of investors be-  
11 lieve that these companies deliver better investment  
12 returns.

13 **SEC. 3. CORPORATE RESPONSIBILITY STOCK INDEX FUND.**

14 (a) DEFINITION.—Section 8438(a) of title 5, United  
15 States Code, is amended—

16 (1) in paragraph (9), by striking “and” at the  
17 end;

18 (2) in paragraph (10), by striking the period at  
19 the end and inserting “; and”; and

20 (3) by adding at the end the following:

21 “(11) the term ‘Corporate Responsibility Stock  
22 Index Fund’ refers to the fund established under  
23 subsection (b)(1)(F).”.

24 (b) ESTABLISHMENT.—

1           (1) IN GENERAL.—Section 8438(b)(1) of title  
2       5, United States Code, is amended—

3                   (A) in subparagraph (D), by striking  
4       “and” at the end;

5                   (B) in subparagraph (E), by striking the  
6       period at the end and inserting “; and”; and

7                   (C) by adding at the end the following:

8                   “(F) a Corporate Responsibility Stock Index  
9       Fund as provided under paragraph (5).”.

10          (2) FUND REQUIREMENTS.—Section 8438(b) of  
11       title 5, United States Code, is amended by adding  
12       at the end the following:

13       “(5)(A) The Board shall select an index which is a  
14       commonly recognized, passively managed index comprised  
15       of domestic stocks that have been analyzed based on cri-  
16       teria consistent with the purposes of this paragraph. Such  
17       criteria may include corporate governance, environmental  
18       practices, workplace relations and benefits, product safety  
19       and impact, international operations and human rights,  
20       involvement with repressive regimes, and community rela-  
21       tions. The index’s financial track record must be com-  
22       parable to that of the other options available under the  
23       Thrift Savings Plan.

24       “(B) The Corporate Responsibility Stock Index Fund  
25       shall be invested in a portfolio designed to replicate the

1 performance of the index in subparagraph (A). The port-  
2 folio shall be designed such that, to the extent practicable,  
3 the percentage of the Corporate Responsibility Stock  
4 Index Fund that is invested in each stock is the same as  
5 the percentage determined by dividing the aggregate mar-  
6 ket value of all shares of that stock by the aggregate mar-  
7 ket value of all shares of all stocks included in such  
8 index.”.

9 (c) ACKNOWLEDGMENT OF RISK.—Section 8439(d)  
10 of title 5, United States Code, is amended—

11 (1) by striking “or the Small Capitalization  
12 Stock Index Investment Fund,” and inserting “the  
13 Small Capitalization Stock Index Investment Fund,  
14 or the Corporate Responsibility Stock Index Fund,”;  
15 and

16 (2) by striking “and (10),” and inserting “(10),  
17 and (11),”.

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